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Commonwealth of Massachusetts
House of Representatives

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*Management Review:*

# State Automobile Travel System

*The General Court of Massachusetts*
*House Committee on Post Audit and Oversight*
*Room 146, State House*
*Boston, Massachusetts 02133*
*Telephone (617) 722-2560*

*Rep. Kevin W. Fitzgerald*
*Chairman*

*17th Suffolk District*
*Jamaica Plain / Mission Hill*

TO: Representative Thomas W. McGee, Speaker of the House and Honorable Members of the General Court

As Chairman of this Committee, I am pleased to present this report entitled Management Review: State Automobile Travel System.

The Committee believes that the Commonwealth has not developed a comprehensive, centralized management system to insure that the laws governing automobile travel by employees on official state business are fairly and uniformly administered and that the monies appropriated for this expense are utilized in the most efficient manner.

Several million dollars could be saved annually by the issuance of a comprehensive set of travel regulations requiring more adequate documentation combined with more efficient usage of state-owned vehicles.

Sincerely,

Kevin W. Fitzgerald

Kevin W. Fitzgerald
Chairman

## SUMMARY OF FINDINGS

Upon examination of the methods and procedures by which the Commonwealth reimburses its employees for travel on official state business, the House Post Audit and Oversight Bureau finds the following:

1. The Commonwealth does not have a uniform policy, set of written regulations or rate of reimbursement for privately owned vehicle usage by its employees.
2. The current rate of travel reimbursement for the majority of state employees is not comparable to the rates being paid by the Federal Government and the other Northeast states.
3. Annually, over $2.5 million dollars is expended for travel directly by state agencies from advance funds, with limited monitoring by the State Comptroller.
4. Hundreds of thousands of dollars could be saved by requiring state employees to use available state vehicles instead of private automobiles while on official business.
5. Over two hundred and fifty state employees annually receive more than $2,760 for private auto reimbursement. This is more than it costs the Commonwealth to operate a state vehicle.
6. There is no control over the issuance and disbursement of Massachusetts Turnpike toll credit cards. There are currently over three thousand cards assigned to state agencies with less than one-half that number of vehicles.
7. Several hundred state employees are currently being reimbursed hundreds of thousands of dollars for traveling to and from their daily work assignment.

## ADMINISTRATIVE RECOMMENDATIONS

The Secretary for Administration and Finance should:

- Promulgate a comprehensive local travel and transportation policy manual in order to uniformly administer the laws governing private travel by employees on official state business notwithstanding contrary provisions of collective bargaining agreements.
- Discontinue the practice of requiring odometer readings on employee travel vouchers in order to receive reimbursement.
- Eliminate the use of all state agency assigned Turnpike toll credit cards.
- Cease the advancing of funds to state agencies for in state travel reimbursement.
- Seek disciplinary action against any state employee found to be submitting false claims for travel reimbursement.
- Institute a requirement that travel vouchers be submitted within a prescribed number of days.
- Develop a prior authorization for travel recording system utilizing a log book or a separate form similar to that utilized by the Federal Government.
- Amend the "Red Book" and upon expiration renegotiate collective bargaining agreements in order to more uniformly reimburse all employees for parking, tolls and transportation of patients, clients or prisoners.
- Establish a uniform method of reimbursing employees who travel from home to a temporary work assignment.

- Rescind the provisions of the "Red Book" and collective bargaining agreements which grant authority to the Personnel Administrator to assign an employee's home as his/her permanent office.
- Re-examine the distribution and daily usage of Motor Vehicle Management Bureau automobiles in order to insure more efficient usage and provide for more ready availability.
- Establish regional motor pools in order to make state vehicles more readily available.
- Cease the policy of allowing state vehicles to be used for commuting purposes.
- Transfer the supervision of private automobile mileage to the Motor Vehicle Management Bureau.
- Conduct a case by case review of the estimated 265 employees who received more in annual private mileage reimbursement then the state pays to run a fleet vehicle in order to determine the need for additional state vehicles, or more efficiently use currently available vehicles.
- Should adopt the Federal Government policy of reimbursing its employees less per mile if a state vehicle is available for usage.

## TABLE OF CONTENTS


| | PAGE |
|---|---|
| SUMMARY OF FINDINGS | S-1 |
| ADMINISTRATIVE RECOMMENDATIONS | S-2 |
| FOREWORD | ii |
| I. RATIONALE FOR STUDY | 1 |
| II. REIMBURSEMENT FOR PRIVATE AUTOMOBILE TRAVEL | 2 |
| A. Methods of Payment | 2 |
| 1. Automated Financial Information System (AFIS) | 2 |
| 2. Return of Advance System | 3 |
| 3. Travel Forms and Verification of Demands | 5 |
| B. Statutory Authority Over Travel | 5 |
| 1. Authorization to Reimburse for Traveling Expenses | 5 |
| 2. Authorization to Make Rules Which Regulate Travel | 6 |
| 3. Authorization to Negotiate Rules Which Regulate Travel for Non-Management Employees | 8 |
| C. Rate of Reimbursement. | 11 |
| III. MOTOR VEHICLE MANAGEMENT BUREAU | 12 |
| A. Motor Pool Operation | 13 |
| B. Cost Comparison — State Vehicles vs. Private Vehicles. | 13 |
| IV. TURNPIKE CREDIT CARDS. | 16 |
| V. APPENDICES | 17 |

## FOREWORD

The House Post Audit and Oversight Bureau was established by Chapter 351, Section 282 of the Acts of 1981. The Bureau conducts performance and program audits under the direction of the House Committee on Post Audit and Oversight.

This report is an assessment of the State's Travel Reimbursement program, including the reimbursement of privately owned vehicles in the conduct of official state business. It is designed to assist administration officials in the establishment and implementation of a comprehensive uniform system which will ensure the efficient expenditure of millions of tax dollars and usage of the state's motor vehicle fleet.

Further, the report analyzes the Executive Office for Administration and Finance's rules and regulations governing travel, the current system of monitoring expenditures for travel, and the cost beneficial utilization of state vehicles.

We wish to thank the Secretary for Administration and Finance, Frank Keefe, and the staffs of the Department of Personnel Administration, Office of Employee Relations, the State Comptroller and the Motor Vehicle Management Bureau for the assistance they provided during this audit.

This study was supervised by Mr. Richard M. Sundstrom of the House Post Audit and Oversight Bureau.

Richard F. Tobin, Jr.
Director

# I. RATIONALE FOR STUDY

In 1975, Governor Michael S. Dukakis established a Management Resources Committee consisting of private sector management and professional people whose mandate was to assist the Commonwealth in providing more economical and responsible government operations. To fulfill its mandate, task force members conducted reviews of administrative and management functions of various state programs and agencies.

In May of 1976, the Committee issued its report entitled, A Management Plan for Massachusetts[1]. It includes a series of findings and recommendations dealing with the way in which the Commonwealth manages its fleet of motor vehicles and ways in which to reduce expenditures for employee vehicle reimbursements.

The Task Force projected annual savings of $2.2 million based on a total of $4.8 million in employee travel reimbursements during fiscal 1975, if regional motor pools were established and certain other management improvements took place.

Regional motor pools have not been established and no criteria have been developed to reduce employee private vehicle reimbursements. Instead of a 40% reduction in expenditures since F.Y. 1975, there has actually been an 81% increase.

Considering the substantial increase in travel reimbursement expenditures over the past nine fiscal years, the House Post Audit and Oversight staff (HPAO) conducted a performance evaluation of the travel reimbursement system and the operation of the Motor Vehicle Management Bureau, as an alternative to privately owned vehicle usage.

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1 A Management Plan for Massachusetts, the Governor's Management Task Force, 1976, Francis S. Meaney, Chairman, p. 235.

## II. REIMBURSEMENT FOR PRIVATE AUTOMOBILE TRAVEL

### A. Methods of Payment

In F.Y. 1983, state employees drove their private autos an estimated 43 million miles on official state business. For use of these vehicles, employees were reimbursed $8.7 million dollars. Six million dollars of these payments were processed through the state's Automated Financial Information System (AFIS) as prescribed by law, while $2.5 million dollars of travel payments were directly disbursed by state agencies on what is commonly referred to as the "Return of Advance" system.

1. Automated Financial Information System (AFIS)

Sections 13 through 21 of Chapter 7 of the General Laws, as most recently amended, designates the State Comptroller as the official bookkeeper and accountant of the Commonwealth. The Comptroller is required to examine the accounts and demands against the Commonwealth[2]. Discretion normally rests with the Comptroller on whether affidavits are to be required as proof of an obligation being incurred as claimed. In the case of employee travel claims, discretion is not allowed. Section 25 of Chapter 30 of the General Laws requires that, before allowance for travel expenses by the State Comptroller, itemized bills must be submitted, included shall be the dates when and the purposes for which such expenses were incurred. (See Appendix A)

The Comptroller prepares a certificate with the names of the persons, specifying the amount payable thereto and the account to which it is chargeable. The certificates are transmitted to the Governor, who with the advice and consent of the council, issues a warrant to the State Treasurer for the amounts specified as due.

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[2] Section 13, Chapter 7, M.G.L.A.

The Treasurer having a certified warrant in his possession causes checks to be printed and issued to individuals in the amounts due.

The names and amounts reimbursed for travel are entered into the Automated Financial Information System (AFIS) of the Commonwealth.

HPAO requested and was provided with a consolidated printout of travel reimbursements by individual agency with the dollar amounts for F.Y. 1983. HPAO was then able to select out for evaluation, employees who received total reimbursements in excess of $2,760, the annual state vehicle operating cost based on 20,000 miles. The theory being that employees receiving reimbursements in excess of $2,760 should probably be assigned a state vehicle.

AFIS if utilized, could allow the Commonwealth to more efficiently and economically assign its state vehicles or uncover duplicate payments to employees. However, it is not presently used for any management purposes.

2. Return of Advance System

Section 23 of Chapter 29 of the General Laws, as amended, authorizes the Treasurer to advance funds to any state officer who has the authority to expend money on behalf of the Commonwealth, subject to rules and regulations prescribed by the State Comptroller.

The Return of Advance System was developed by the Comptroller to speed payments to vendors by allowing a state agency to pay vendors directly before processing the invoices through the Comptroller's Office. Of the $8.7 million spent for travel in F.Y. 1983, over $2.5 million in travel invoices were processed in this manner bypassing AFIS. The inability to electronically retrieve information on approximately one-third of the expenditures renders management control of travel virtually impossible.

Rules and regulations for the Return of Advance System appear in the Comptroller's Accounting Manual. Travel advances are authorized subject to prior written approval for out-of-state travel for all state employees. Advances for in-state travel can only be granted to members of special commissions, committees or subcommittees with prior written approval based on a majority vote of said body or with the written approval of the presiding officer or officers of the appropriate legislative branches. There is no Comptroller's regulation authorizing in-state travel advances to the officer of any spending agency.

The Advance System essentially operates as follows. An amount of money is requested to be advanced from the State Treasurer to a particular agency utilizing a Request for Advance Form CD-5. The Comptroller warrants the request for payment, and posts the amount to the credit of the spending agency on the records of the State Treasurer. The Treasurer deposits state funds in several banks. As an offset to interest earned by the Commonwealth on these deposits, the banks allow the agencies with advances to write checks to their employees.

These expenditures are then accounted for by the agency on a "Return of Advance" document form CD-21 and sent to the Comptroller's Division. Attached to Form CD-21 are the separate travel invoices Form CD-18 for each individual to whom an expenditure was made. However, the "Return of Advance" Form CD-21 is the only document which is processed through the Automated Financial Information System. The vendor identification number used on these forms is a "dummy" which translates on the Master Vendor File as simply "Return of Advance". This method of payment does not allow retrieval of travel expense information for management purposes. The State is thus incapable of summarizing travel reimbursements by individuals as a guide to more efficient use of state-owned vehicles.

3. Travel Forms & Verification of Demands

It is the responsibility of the State Comptroller to design the necessary forms to insure a proper system of accounting for the expenditure of state funds.

The Comptroller has prescribed and issued Travel Expense Voucher Form CD-18 (See Appendix B). The Comptroller has not prepared or required a form to prove travel was authorized prior to a claim for reimbursement being submitted, similar to the Federal System. The result is that over 100,000 travel vouchers totalling $8.7 million dollars are processed through the Comptroller's Office annually without adequate proof the trip/trips were authorized to be taken.

**B. Statutory Authority Over Travel**

1. Authorization to Reimburse for Traveling Expenses

Section 25 of Chapter 30 of the Massachusetts General Laws, as most recently amended, allows officers or members of departments whose duties require them to travel to locations other than to and from the offices provided for them by the Commonwealth, to be reimbursed their actual reasonable expenses incurred in the performance of such duties, if such expenses are authorized by law to be paid by the Commonwealth.

This section further requires that before allowance for such expenses by the State Comptroller itemized bills must be submitted including the dates and purpose for which such expenses were incurred.

Additionally, the Secretary for Administration and Finance is directed to establish a maximum rate of reimbursement payable to state employees covered under a collective bargaining agreement as provided for by Chapter 150E of the General Laws, the so called "Public Employees Collective Bargaining Law."

2. Authorization to Make Rules Which Regulate Travel

Section 28 of Chapter 7 of the Massachusetts General Laws, as most recently amended, authorizes the Personnel Administrator, subject to the approval of the Secretary for Administration and Finance and the Governor, to promulgate rules which regulate travel and meals for persons traveling within or without the Commonwealth. The Department of Personnel has issued rules and regulations, commonly referred to as the "Red Book", which includes travel provisions.

At the present time, the "Red Book" provisions governing the use of privately owned automobiles on official state business pertain to 4,300 managerial, confidential and Executive Branch employees excluded from a collective bargaining unit under the provisions of Chapter 150E, M.G.L.A.

The "Red Book" regulations governing reimbursement for use of privately owned automobiles appears as follows:

- In every case the means of transportation which is least expensive to the Commonwealth and which is in the interest of economy, with proper consideration to the circumstances, should be used; railroads or buses being preferred to transportation by plane, taxi or privately-owned automobile. Commutation and reduced rate round trip tickets should be used when possible.
- Transportation of any kind between the home and the office furnished by the state (official headquarters) is not reimbursable, as provided by statute (Chapter 30, section 25, M.G.L.A.).
- For purpose of computing travel allowances of every person subject to these rules and regulations, the appointing authority shall assign such person to a permanent office, maintained by such authority, and such

assignment shall be approved by the Personnel Administrator. Such travel allowance shall be computed from and to said permanent office.

- In all instances where the appointing authority assigns the person's home as his permanent office, approval therefore must be given by the Personnel Administrator before such assignment becomes valid.
- If a person subject to these rules and regulations travels from his home to a temporary assignment rather than to his permanently assigned office, transportation expenses shall be allowed either for the distance from his home to place of temporary assignment, or from his permanently assigned office to place of temporary assignment, whichever is nearer. The designation of the permanently assigned office for purposes of this rule by the appointing authority with the approval of the Administrator shall be final unless appeal is requested within 10 days in accordance with Rule G—2.
- When use of a person's private car is necessary and has been authorized by the department, the approved mileage rate will be allowed. This approved rate covers all charges, including garage, parking and toll charges, etc. For each trip the city or town visited must be reported. If several addresses are visited within a city or town, state the number visited and mileage covered.
- Private automobile mileage reimbursement shall be payable only to one of two or more employees traveling together in the same vehicle.

3. Authorization to Negotiate Rules which Regulate Travel for Non-Management Employees

The Massachusetts Collective Bargaining Law, Chapter 150E of the General Laws as added by Chapter 1078 of the Acts of 1973 authorizes the reaching of collective bargaining agreements on cost items such as employee expenses between state employees and the Commonwealth. For purposes of collective bargaining at the state level, all employees of the Executive or Judicial branch with certain exceptions are entitled to be represented by an employee organization for bargaining purposes. Exceptions from Collective Bargaining Statute in addition to managerial and confidential employees include elected officials, appointed officials, members of any board or commission, representatives of any public employer, including the heads, directors and executive and administrative officers of departments and agencies of any public employer, and other managerial employees or confidential employees, and members of the militia or national guard and employees of the Labor Relations Commission, and officers and employees within the departments of the State Secretary, State Treasurer, State Auditor and Attorney General.

Table I which follows represents all state employees for purposes of showing the controlling authority for promulgating travel expense regulations.

**TABLE I**

| Promulgator of Rules | Number of Employees | Rules Source |
|---|---|---|
| Chief Administrative Justice | 4,100 | 4 Bargaining Agreements |
| Office of Employee Relations | 48,900 | 10 Bargaining Agreements |
| Board of Regents of Higher Education | 11,000 | 25 Bargaining Agreements |
| State Lottery Commission | 460 | 1 Bargaining Agreement |
| Department of Personnel Administration | 4,300 | "Red" Book |
| Legislature | 1,100 | Same as "Red" Book |
| Constitutional Officers | 1,100 | Same as "Red" Book |
| Total | 70,960 | |

Judicial Employees

The private mileage reimbursement provisions contained in the four judicial collective bargaining agreements representing 4,100 judicial employees differ from the "Red Book" provisions in the following three key areas:

1. Exact toll costs and parking costs (not to include parking tickets) shall be paid when essential and not a normal expense to the employees at their regularly assigned work location.
2. When private vehicles are authorized to transport prisoners, the employee will be reimbursed at the currently effective mileage rate plus an additional six cents per mile for the distance travelled with a prisoner(s) in the vehicle.
3. Reimbursement to a temporary work location shall be for the distance in excess of the round trip mileage from home to the temporary work location over the round trip mileage from home to the regular work location. The "Red Book" allows expenses from the home to temporary assignment or from permanent office to temporary assignment whichever is nearer.

Board of Higher Education Employees

Designees of the Board of Regents of Higher Education currently negotiate twenty-five (25) collective bargaining agreements with 11,000 Board of Higher Education employees.

The provisions of the agreements dealing with authorized reimbursement for private automobile usage on official state business are basically identical to the "Red Book" provisions with the following exceptions:

1. Higher Education has no requirement that an employee should use the least expensive means of transportation with consideration to the circumstances.
2. Higher Education does not preclude reimbursement for two or more employees traveling together in the same vehicle.

Office of Employee Relations Bargaining Unit Employees

The Office of Employee Relations within the Executive Office for Administration and Finance currently negotiates ten (10) collective bargaining agreements with associations and unions representing approximately 50,000 non-managerial state employees.

The provisions of the agreements dealing with authorized reimbursement for private automobile usage on official state business are identical in language to the Higher Education agreements.

The only deviation is the provision in the Unit 8 agreement that Welfare employees submit their reimbursement vouchers within a 2 month period in order to insure prompt payment.

State Lottery Commission Employees

Designees of the State Lottery Commission currently negotiate one (1) collective bargaining agreement with the 460 lottery employees.

The provision of the agreement dealing with authorized reimbursement for private automobile usage on official state business is nearly identical in language to the Higher Education agreements as appearing above with one exception.

The Lottery Commission currently reimburses its employees at the rate of twenty cents (20¢) per mile and actual tolls paid.

**C. Rate of Reimbursement**

HPAO believes that in addition to the administrative weaknesses of the private automobile reimbursement system, the disparity in the rates of reimbursement between different employee groups contribute significantly to poor employee morale and results in inflated travel claims.

Table II compares the rate of reimbursement for private automobile usage by state employees in New York, New Jersey and five New England states, as well as the reimbursement rate for federal employees with the various Massachusetts rates:

**TABLE II**

COMPARISON OF

CURRENT REIMBURSEMENT RATES

| State | | Reimbursement Rate Per Mile | Parking | Tolls |
|---|---|---|---|---|
| Maine | | 22 | Yes | Yes |
| Vermont | | 22 | Yes | Yes |
| New York | | 23 | Yes | Yes |
| New Jersey | | 18 | Yes | Yes |
| Connecticut | | 20 | Yes | No |
| Rhode Island | | 20 | Yes | Yes |
| New Hampshire | | 25 | Yes | Yes |
| Federal Government | | 20.5 | Yes | Yes |
| Massachusetts | | | | |
| 4,300 | Judicial | 20 & 6¢ for prisoners | No | Yes |
| 50,000 | OER | 20 | No | No |
| 11,000 | Higher Education | 20 | No | No |
| 4,300 | Red Book | 20 | No | No |
| 2,200 | Non-Red Book | 20 | Yes | Yes |
| 460 | Lottery | 20 | No | Yes |

## III. MOTOR VEHICLE MANAGEMENT BUREAU

The Motor Vehicle Management Bureau (MVMB), within the Executive Office for Administration and Finance, was created with the intent of centralizing the management of the state-owned motor vehicle fleet, in order to benefit from fleet purchasing of vehicles, bulk purchasing of fuel and centralized approval of maintenance.

Although MVMB purports to have management control over a fleet of vehicles estimated to total 8,130, (812 vehicles assigned to Higher Education not included), in actuality, direct control is exercised over only 1,777 general passenger vehicles, truck/vans, police cars and other equipment, all but 70 of which are rented or leased to various agencies at a cost rate on a long term basis.

The MVMB has made substantial improvements in the policies, procedures and methods by which the Commonwealth owns and operates its own fleet of vehicles. These measures include: the maintenance of accurate equipment inventories; maintenance of the certificates of title file; positive control of commercial oil company credit cards; reduction of unnecessary domicile travel activities with state vehicles; volume purchasing of equipment at the lowest competitive discount prices; investigating and responding to vehicle misuse/abuse complaints; monitoring the inter-agency bulk fuel program; operation of the inter-agency motor pool; purchasing vehicles designed to be energy/fuel efficient to the greatest reasonable degree; negotiating and awarding annual competitive bid contracts to ensure national discount price levels for the maintenance and repairing of certain vehicles; investigation and filing claims for certain accidents and the enforcement of other management policies, regulations and programs which contribute to effective management.

A. Motor Pool Operation

The MVMB operates only one daily rental motor pool of 70 automobiles out of the Saltonstall State Office Building Garage. This limited number of vehicles does not meet a fraction of the daily needs of state personnel located in the City of Boston. There are no motor pools located in any other area of the state to meet the needs of personnel located in the various regions who do not have access to a state vehicle. As an alternative to regional motor pools, MVMB could develop a system whereby an employee of one agency may use a state vehicle assigned to another agency. For example, the Department of Social Services (DSS) has several thousand employees, primarily social workers, located in regional and area offices throughout the state. The Department has one vehicle assigned to it by MVMB. In the last fiscal year, DSS employees were reimbursed almost $1.5 million for private automobile mileage at a rate of 20¢ per mile. MVMB has determined that it costs 14¢ per mile to run a fleet vehicle an average of 20,000 miles per year (Appendix C). If state vehicles were available to meet the total needs of DSS employees $450,000 could have been saved in the last fiscal year.

B. Cost Comparison — State Vehicles vs. Private Vehicles

The MVMB has determined that it costs $2,760 to drive an average state vehicle 20,000 miles in a year. While it costs the state $4,000 to reimburse an employee for driving 20,000 miles in his or her own car. Therefore, it financially benefits the Commonwealth to have a system which can identify employees driving a considerable amount of miles per year (over 20,000) and if possible assign a state vehicle to them.

The Return of Advance system does not lend itself to identifying high volume driving employees. As such, HPAO found it was necessary to submit written requests to agencies paying travel costs out of advance funds in order to identify those

employees who received over the $2,760 threshold. It took as long as six weeks to receive the requested information due to the lack of an automated information retrieval system at the agency level.

Research revealed that in F.Y. 1983 a total of 260 employees received over $2,760 in travel reimbursements, 110 of these employees having received their reimbursements out of advance funds.

The lack of available data on the reimburseable travel of individual employees or state agencies precludes the MVMB from more cost efficiently assigning vehicles or justifying an increase in the size of the state motor pool.

HPAO would conservatively estimate that over $1.5 million dollars could be saved by doubling the size of the motor pool and more efficiently utilizing the vehicles.

The following cases demonstrate the savings which could be achieved by more efficient assignment of state cars:

Case #1 An employee of the Department of Public Welfare drove by private auto an estimated 32,820 miles at a cost to the Commonwealth of $6,564. If he had driven a state vehicle the same number of miles, it would have cost the Commonwealth $4,594.00, a savings of $1,970.00.

Case #2 An employee of the Department of Public Works drove his private auto an estimated 27,605 miles at a cost to the Commonwealth of $5,521.00. If he had driven a state vehicle the same number of miles it would have cost the Commonwealth $3,894, a savings of $1,657.00.

Case #3 An employee of the Bureau of Accounts in the Department of Revenue, drove his private auto an estimated 25,570 miles at a cost to the Commonwealth of $5,114. If he had driven a state vehicle the same number of miles, it would have cost the Commonwealth $3,579.00, a savings of $1,535.00.

These three state employees drove a total of 85,995 miles in F.Y. 1983, at a cost to the Commonwealth of $17,199. If state vehicles were utilized for all 85,995 miles, the Commonwealth could have saved $5,162.

## IV. TURNPIKE CREDIT CARDS

The Management Bureau, within the Executive Office for Administration, with no other responsibility over state vehicles or private automobile mileage reimbursement, has been designated as the approving authority for Massachusetts Turnpike credit cards.

Based on information provided by the Turnpike Authority, a total of 3,062 credit cards have been issued to state agencies, boards, bureaus, commissions, etc.

No regulation exists to control the use, assignment or disposition of these cards nor does there appear to be any correlation between the number of credit cards and the number of vehicles assigned to an agency. For example, the State Department of Public Welfare has 20 vehicles assigned and 126 credit cards; the Registry of Motor Vehicles has 45 vehicles and 94 credit cards; the Attorney General has 11 vehicles and 56 credit cards.

A record of monthly payments from July 1982 through June 1983 revealed $113,528 in payments for credit card charges. It is impossible to tell if any of these payments were made for tolls incurred by privately owned vehicles.

The Federal Government does not authorize turnpike credit cards for its vehicles. Employees must pay the tolls and seek reimbursement.

# APPENDIX A

## CHAPTER 30, SECTION 25, M.G.L.A.

State officers, and members of departments receiving a salary or its equivalent, who are provided with offices by the commonwealth and whose duties require regular attendance at such offices, shall not be allowed or paid by the commonwealth any expenses in the nature of traveling or living expenses. Such officers or members of departments whose duties require them to travel elsewhere than to and from the office provided for them by the commonwealth, and unpaid state officers or members of departments, and those whose duties do not require daily attendance and who receive compensation by the day, shall be allowed their actual reasonable expenses incurred in the performance of such duties, if such expenses are authorized by law to be paid by the commonwealth. Bills for such expenses shall be itemized and the dates when, and the purposes for which, such expenses were incurred shall be stated before their allowance by the comptroller.

In the case of allowable expenses incurred in the operation of private motor vehicles used in the performance of official duties, the maximum reimbursement shall not exceed a maximum established by the commissioner of administration. Said maximum shall be equivalent to the maximum reimbursement payable to state employees who are covered under a collective bargaining agreement for which an appropriation has been made by the general court. Said commissioner shall adjust said maximum, if such adjustment is required on July first of each year and shall file a notice of such adjustment with the house and senate committees on ways and means at least ninety days prior to said date.

# APPENDIX B

# THE COMMONWEALTH OF MASSACHUSETTS

EXECUTIVE OFFICE FOR ADMINISTRATION AND FINANCE

## TRAVEL EXPENSE VOUCHER

NOTE: Prepare voucher on typewriter or print in ink.
No federal taxes will be allowed.

| TYPE | EFFECT | AGENCY CODE | DAY NUMBER | AGENCY VOUCHER NUMBER |
|---|---|---|---|---|
| | | 135 | | |

NAME OF EMPLOYEE: John Sample

ENCUMBRANCE DOCUMENT NO.:

SOCIAL SECURITY NO.: 123-45-6789

2

STATE CAR NO.:

ADDRESS TO SEND CHECK: 20 Providence Street, Boston, MA 02116 (Office Location)

DATE: 10 MO. 01 DAY 80 YR.

OFFICIAL HEADQUARTERS: Same as Above

HOME ADDRESS: 1 Rehabilitation Way, Boston, MA 02111

| DATE | DESCRIPTION Itemize by day and explain fully, including cities and towns visited. When listing privately-owned car mileage, report under "Remarks" the names, if any, of all other employees transported, together with the city or town and addresses between which they are transported. | PRIVATE Auto Mileage Miles | PRIVATE Auto Mileage Amount | FARES | HOTEL | MEALS Breakfast | MEALS Lunch | MEALS Supper | OTHER TRAVEL EXPENSES | TOTAL EXPENSES |
|---|---|---|---|---|---|---|---|---|---|---|
| | See attached | | | | | | | | | |
| | detailed description | 89 | 12.46 | | | | | | | 12.46 |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | |

# APPENDIX C

## STATE CAR FIVE YEAR LIFE CYCLE COST PER MILE

| | | 1978 Concord | 1983 Citation |
|---|---|---|---|
| Cost of car | | $ 3,989 | $ 6,590 |
| | less trade | 108 | 662 |
| | | 3,881 | 5,928 |
| | current value | 750 | |
| | est. value (1988) | | 1,650 |
| | | 3,131 | 4,278 |
| Depreciation cost per mile (Five years - 100,000 miles) | | .0313 | .0427 |
| Fuel (100,000 miles) | at 18 MPG 5,555 gals at $1.10 | .0611 | |
| | at 22 MPG 4,545 gals. at $1.20 | | .0545 |
| Maintenance/Repairs - Percentage of total M/R and fuel costs. | 26% | .0213 | |
| | 19% | | .0127 |
| Administration cost | $100,000 20,000,000 miles | .0050 | |
| | $300,000 30,000,000 miles | | .0100 |
| Space factor | 32,430 sq. ft. at $8.88 | .0143 | |
| | 32,430 sq. ft. at $10.21 | | .0110 |
| | | .1330 | .1309 |
| | | (round off to .1400) | |

Parking and toll charges and traffic violation cost penalties are not included. These costs relate directly to the user.

HOUSE POST AUDIT AND OVERSIGHT COMMITTEE

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Richard F. Tobin, Jr.
Director

HPAO 3-6-84